

## **Program A: Administrative/Fiscal**

Program Authorization: Louisiana Constitution of 1974, Article IV, Section 11; Title 36, Chapter 17 of the Louisiana Revised Statutes; Title 22 of the Louisiana Revised Statutes; Act 83 of 1977 (Reorganization Act); Act 477 of 1992 (Reorganization Act); and Act 850 of 1984 (Equal Opportunity in Insurance Act)

### **Program Description**

The mission of the Administration/Fiscal Program is to provide through revenue, fiscal and human resource management, information technology, supplies and equipment, physical plant, etc. necessary support to those divisions charged with regulatory responsibilities, and to provide management oversight and regulatory coordination for the entire department.

The goals of the Administration/Fiscal Program are:

1. Protect the interests of consumers and the public in matters related to the business of insurance by enforcing existing laws fairly and consistently, and by proposing new laws as needed.
2. Enhance the efficiency and effectiveness of regulatory and consumer-services activities by providing and maintaining a viable department infrastructure (management oversight, revenue, fiscal and human resource management, information technology, supplies and equipment, physical plant, etc.)
3. Improve the effectiveness of our efforts on behalf of the insurance consumers whose interests, we protect, and improve services to the producers and insurers we regulate by assisting the National Association of Insurance Commissioners (NAIC) in developing national regulatory standards that improve the sharing of information about producers and insurers among the states, minimize or eliminate duplication of work, and allow the states to retain regulation of the insurance industry.

Office of the Commissioner - Administers and enforces the provision of Title 22 of the Louisiana Revised Statutes of 1950 as amended; monitors the effectiveness of the department's internal processes through internal audits; responds to requests for public information from the media and the public; promotes equal opportunity in insurance through assistance and education to members of minority groups wishing to participate in the insurance industry in the state as producers or through employment with insurers or related service companies.

Office of Management and Finance - Manages the department's revenue, human , and fiscal resources, information technology supplies, and equipment, physical plant, and provides administrative services to the entire department.

## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2000-2001	ACT 12 2001-2002	EXISTING 2001-2002	CONTINUATION 2002-2003	RECOMMENDED 2002-2003	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	4,667,216	3,640,451	3,640,451	4,801,485	4,582,587	942,136
Statutory Dedications	304,895	0	30,000	30,000	30,000	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<b>\$4,972,111</b>	<b>\$3,640,451</b>	<b>\$3,670,451</b>	<b>\$4,831,485</b>	<b>\$4,612,587</b>	<b>\$942,136</b>
EXPENDITURES & REQUEST:						
Salaries	\$2,459,100	\$1,570,439	\$1,583,348	\$1,628,124	\$1,533,609	(\$49,739)
Other Compensation	186,639	192,225	192,225	192,225	192,225	0
Related Benefits	486,344	333,096	350,187	746,513	484,123	133,936
Total Operating Expenses	848,814	746,341	775,471	583,054	575,467	(200,004)
Professional Services	129,107	43,256	43,256	43,256	43,256	0
Total Other Charges	485,472	428,799	399,669	1,326,313	1,721,882	1,322,213
Total Acq. & Major Repairs	376,635	326,295	326,295	312,000	62,025	(264,270)
TOTAL EXPENDITURES AND REQUEST	<b>\$4,972,111</b>	<b>\$3,640,451</b>	<b>\$3,670,451</b>	<b>\$4,831,485</b>	<b>\$4,612,587</b>	<b>\$942,136</b>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	96	59	59	59	56	(3)
Unclassified	11	7	7	7	7	0
<b>TOTAL</b>	<b>107</b>	<b>66</b>	<b>66</b>	<b>66</b>	<b>63</b>	<b>(3)</b>

## SOURCE OF FUNDING

This program is funded from Fees and Self-generated Revenues and Statutory Dedications. Fees and Self-generated Revenue funds are derived from various fees and licenses authorized by R.S. 22:1078; auditing fees collected from insurance companies audited. The Statutory Dedications are from the Insurance Fraud Investigation Fund from assessments of various insurance policies written in Louisiana. (Per R.S. 39:36B. (8), see table below for a listing of expenditures out of each Statutory Dedicated Fund).

	<b>ACTUAL</b>	<b>ACT 12</b>	<b>EXISTING</b>	<b>CONTINUATION</b>	<b>RECOMMENDED</b>	<b>RECOMMENDED</b>
	<b>2000-2001</b>	<b>2001-2002</b>	<b>2001-2002</b>	<b>2002-2003</b>	<b>2002-2003</b>	<b>OVER/(UNDER)</b>
						<b>EXISTING</b>
Administrative Fund	\$0	\$0	\$0	\$0	\$0	\$0
Insurance Fraud Investigation Fund	\$304,895	\$0	\$30,000	\$30,000	\$30,000	\$0

## MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
<b>\$0</b>	<b>\$3,640,451</b>	<b>66</b>	<b>ACT 12 FISCAL YEAR 2001-2002</b>
			<b>BA-7 TRANSACTIONS:</b>
\$0	\$30,000	0	Implements Act 369 of the 2001 Regular Session to withhold \$30,000 of Statutory Dedications – Insurance Fraud Investigation Fund to defray the expenses of the collection of fees by the Commissioner of Insurance.
<b>\$0</b>	<b>\$3,670,451</b>	<b>66</b>	<b>EXISTING OPERATING BUDGET - December 20, 2001</b>
\$0	\$26,169	0	Annualization of FY 2001-2002 Classified State Employees Merit Increase
\$0	\$25,077	0	Classified State Employees Merit Increases for FY 2002-2003
\$0	(\$10,129)	0	Risk Management Adjustment
\$0	(\$326,295)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$3,024	0	Legislative Auditor Fees
\$0	\$737,593	0	Maintenance of State-Owned Buildings
\$0	\$3,739	0	UPS Fees
\$0	\$4,989	0	Salary Base Adjustment
\$0	(\$37,463)	0	Attrition Adjustment
\$0	(\$16,402)	0	Salary Funding from Other Line Items
\$0	\$206,973	0	Group Insurance Adjustment
\$0	(\$82,211)	(3)	Gubernatorial Position Reduction
\$0	\$4,797	0	Funding provided for Civil Service Training series Adjustment
\$0	\$62,025	0	Funding provided for Information Technology recommendations for Information System Infrastructure replacement and maintenance
\$0	\$76,299	0	Funding provided for capitol security
\$0	(\$64,134)	0	Adjustment to Group Benefits from E.O.B to FY 2003
\$0	\$328,085	0	Transferred \$328,085 in Fees and Self-generated Revenues from the Market Compliance Program to the Administration/Fiscal Program for the increased cost of maintenance services of the Data Processing software
<b>\$0</b>	<b>\$4,612,587</b>	<b>63</b>	<b>TOTAL RECOMMENDED</b>

**MAJOR FINANCIAL CHANGES**

<b>GENERAL FUND</b>	<b>TOTAL</b>	<b>T.O.</b>	<b>DESCRIPTION</b>
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$4,612,587	63	BASE EXECUTIVE BUDGET FISCAL YEAR 2002-2003
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$4,612,587	63	GRAND TOTAL RECOMMENDED

## **PROFESSIONAL SERVICES**

\$6,000	On site training - Travel expenses provided for Industry training
\$37,256	Additional contractual services to be determined deemed necessary by the department to carry out the mission of the department
<b>\$43,256</b>	<b>TOTAL PROFESSIONAL SERVICES</b>

**OTHER CHARGES**

\$158,598 Aid to local government - Bail Bond fees

**\$158,598 SUB-TOTAL OTHER CHARGES**

**Interagency Transfers:**

\$150,272 Legislative auditor fees

\$18,312 Civil Service fees

\$1,427 CPTP training

\$12,124 UPS fees

\$16,603 Treasury Banking fees

\$36,962 Security - Office of Public Safety

\$737,593 Maintenance of State Owned Buildings

\$61,154 OTM Fees

\$76,299 Capitol Security Fees

\$182,288 Risk Management

\$270,250 OIT Equipment

**\$1,563,284 SUB-TOTAL INTERAGENCY TRANSFERS**

**\$1,721,882 TOTAL OTHER CHARGES**

## **ACQUISITIONS AND MAJOR REPAIRS**

\$62,025 Replacement of personal computers, laptop, printers, serves, and power vault storage units

**\$62,025 TOTAL ACQUISITIONS AND MAJOR REPAIRS**